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ABSTRACT

The majority of the media in the United States is funded through revenues derived from the sale of advertising space. The problem that arises from this situation is fundamentally an economic one: if advertisers are paying the bills for the media, how much control over content should they have? This report offers a review of instances in which advertisers have exerted either subtle or blatant pressures on the editorial policies of newspapers and magazines. While several cases are described, special attention is given to "Myles Arber v. Crested Butte, Colorado" and "E.B. White v. the Xerox Corporation." It is concluded that, as long as the public accepts the role that advertisers play in the print media, and as long as advertising pressures remain fairly subtle, the practice of interference in editorial content is likely to persist. (KS)

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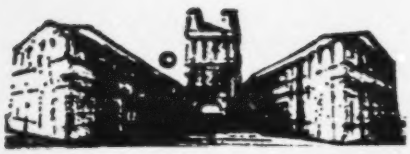

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FREEDOM OF INFORMATION CENTER REPORT NO. 367

ADVERTISING PRESSURES ON MEDIA

This report was written by Harry Hammitt, a graduate student at the University of Missouri School of Journalism.

Introduction

In the United States, there are two alternative means of support for the media. One is to have advertisers provide the money to keep the media alive, the other is funding by the government or some non-profit organization. The majority of the media in the United States are funded by the former, through the revenues derived from the sale of advertising space. The problem that arises is a fundamental economic one: if advertisers are paying the bills for the media, how much control over content should they have?

Most of the people who concern themselves with this question in any way, aside from businessmen and advertisers, believe that to bow to the wishes of advertisers would be to allow advertisers to usurp the First Amendment guarantee of freedom of the press. But what is said and what is done are clearly two different things. In numerous incidents, the media have yielded to the wishes of the advertisers in various ways. This pressure on the media by advertisers can take rather obvious forms like an ad boycott of a newspaper, or very subtle ones, like the editor who kills a story because he believes it may offend an important advertiser who patronizes his publication.

This paper will attempt to catalogue some of the instances in which pressure has been brought to bear on the print media—newspapers and magazines—by advertisers. It will present a cross section of opinions as to why advertisers act this way and what the effects of such actions are on the media. After that, conclusions will be drawn concerning the effects and the future of advertising pressure—a source of pressure which, so far, shows no signs of letting up.

Editorial Comment: Pro and Con

As might be expected, the current of opinion concerning the pressures of advertising is cut according to profession. Almost all businessmen and advertising personnel feel that advertisers can legitimately influence the media. Journalists take the other position, that it is detrimental to the health of a free press if the advertiser can dictate editorial policy in any way.

Michael Frome, former conservation editor of *Field & Stream*, notes that nowadays it is virtually impossible to be true to the profession of journalism and write articles which are inoffensive to all parties at the same time. Says Frome:

> Today, when every company appears to be owned by some other company, it is virtually impossible to say anything of importance without stepping on somebody's toes and irritating the financial nerve, directly or indirectly. . . . Can there be any single element of the American scene that more insidiously threatens our liberties and freedom of speech?[1]

John Fischer, a former editor of *Harper's*, admits that advertising pressure does exist, but he is one of the few journalists who believes that the effects of such pressure are miniscule. As Fischer says: "In fact, advertisers seldom attempt anything of the kind (applying pressure), and virtually never succeed. Only three times in 14 years of editing this magazine did I run into anything that could be called advertising pressure, and in each case it was trivial."[2] He goes on to explain that the practice is still in use in some places:

> It is true that some of the weaker newspapers do run publicity stories for big advertisers, particularly in their real-estate sections. A few travel writers will accept free plane trips and hotel accommodations with the tacit promise of saying something nice in return. And I have heard rumors that certain women's magazines will gush a little more breathlessly over a new fashion if a plump advertising contract is in prospect. Fifty years ago, according to old timers' tales, all these forms of payola may have been fairly widespread. But today I am convinced that they are relatively rare.[3]

Later in his essay, Fischer makes an interesting point about the advertising mentality, a point which has its be-

Summary:

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ginnings with the magazine's own staff:

> . . . a magazine's advertising salesmen always want a publication which will be more interesting to their potential customers. They are not even aware that the advertisers' interests, or the salesmen's own, may be considerably different from those of the particular readers whom the editor is trying to reach. . . . The tip-off is the fact that most advertising salesmen refer to their publications as 'a consumers' book.' When the editor begins to think of his readers simply as potential consumers of advertised products, he is in bad trouble; and so, in the long run, is the publication.[4]

Fischer's suggestion that the advertising salesman plays a very important role in the process of influencing a publication is closely related to a statement made by Ralph Nader: "The problem comes basically from the ad agencies. They'll go and ask publishers to do things that clients themselves would never think of doing."[5] Both Fischer and Nader contend that it is the advertising agent who applies the pressure on the publication, but the evidence suggests that the agent feels that the clients prefer the application of such pressure. It is not a tacit approval, but an assumed one.

Although Fischer admitted that the media did receive some pressure from advertisers, many in journalism felt he did not go far enough. In a letter to the editor which was published in the *ASNE Bulletin*, Robert Lasch, editor of the Editorial Page of the St. Louis *Post-Dispatch*, wrote:

> I have had specific experience with organized real estate dealers who systematically reduced their linage because, as they made quite clear, they resented news stories and editorials on integrated housing, especially an editorial conclusion that their own listings and sales practices were perpetuating segregation.
>
> At least one auto dealer indignantly canceled his advertising over an editorial criticizing an auto manufacturer for promoting his product in the guise of aiding university research.
>
> A grocery chain complained loudly, and briefly transferred some linage to The Other Paper (the St. Louis *Globe-Democrat*), because of news stories showing price discrepancies between ghetto and middle-class area stores.
>
> A leading department store yanked its ads for a time (they always come back) because we favored a Sunday sales law it opposed. The same store applied another temporary boycott to protest a news story on the financial page about its corporate affairs.
>
> Fischer says advertisers 'seldom attempt' to dictate policy and 'virtually never succeed.' I hope he is right in the latter generalization, but I know from experience that they try, they try.[6]

Why do businessmen even try to influence the editorial content of the press? In one of Calvin Trillin's "U.S. Journal" pieces for *The New Yorker*, he explored a situation in Nampa, Idaho where the editor of the local paper was pitted against the business community which felt he was writing too many critical, negative pieces about the town. In the end, the businessmen were successful in having the editor removed, but what is important here are the reasons the business community gave to justify its position. John Brandt, a local influential realtor, spoke for the entire business community when he said:

> If it's bad for our business, why should we advertise? If there's something wrong, we don't condone glossing it over, but suppose you were a person thinking about moving here and read everything bad. It's our business to be optimistic about the community. The more people who come here and buy farms or move businesses in here, the more we make.[7]

There, in a nutshell, is the classic reasoning for changing the editorial stance of a paper—because it is bad for business. Local merchants and businessmen are not in business solely for their health, they are in business to make money, and they can stay in business only as long as they continue to make money. If the local paper is apparently detrimental to the economic interests of a business, then it feels it is justified in retaliating in the only way it can—with economic sanctions.

In a Des Moines *Register* editorial, William D. Dyke, former mayor of Madison, Wis., expressed much the same sentiments as Brandt did: "How many times have we wondered why it is that the advertiser will go back and buy a full page, week after week, and watch the columns of the paper be used to destroy the business that is supporting it."

In response to Dyke's complaints, the paper said (7-19-71):

> It is startling that the mayor of a major city and a widely-known spokesman for law enforcement professionals (Quinn Tanin, executive director of the International Association of Chiefs of Police) would suggest that advertisers try to bring pressure to influence the content of newspapers. If the advertisers attempted and succeeded in accomplishing what Tanin and Dyke are suggesting, the news media would lose the faith of the public—which is not to the interests of the business community or the public.

Clay Felker feels that *New York's* brand of "consumer journalism," rather than hurting the magazine with advertisers, has strengthened its position with them.

> The question that many editors and publishers will ask at this point is, sure, this is okay for the readers but won't it irritate advertisers to such an extent that it will handicap the publication economically? I can only tell you that *New York* Magazine's advertising picture has had a steady upward climb, and last year we had a dramatic increase in advertising revenue. This year our revenue is up 27 per cent over last year and we are past the break-even point and are now making money. Evidently what the advertiser is buying is the affluent, responsible audience that editorial vitality has developed. Certainly there are advertisers who have cancelled schedules in retaliation for articles that irritate them. But it has been our experience that we have always gotten those advertisers back. My feeling has always been that although some

revenue is lost permanently—a price of honest reporting—the only way towards success both artistically and economically has been to be rigidly honest. This is the only long-run policy that can possibly succeed.[9]

Felker does note, however, that there are circumstances under which the editor can afford to be tough with advertisers, and circumstances when he will probably knuckle under. It is all a matter of how much pressure advertisers can bring to bear. As Felker says: "One of the reasons that we as editors can be tough with the advertisers is that we are not tough with all of them at once."[9] What Felker is saying here is that he can be tough with one or two advertisers because he knows he can sell his space elsewhere if he needs to. But he cannot very well get tough with all his advertisers at the same time or he will run the risk of losing all his advertising at once with no other alternatives available to him.

In a speech to the Press Institute of the Tennessee Press Association, Paul Rand Dixon, former chairman of the Federal Trade Commission, told his audience that the press was a two-headed creature, made up of the news side and the business side, and that this separation should be made clear. But often the point where one part begins and the other ends is somewhat fuzzy; the two points often overlap and, according to Dixon, this can be dangerous, leading to an emphasis on profit above responsibility. Dixon said:

> . . . I think it could be said of some media that they have revised this thought (that the press is a two-headed creature) to read: 'let us maintain whatever standard will best titillate the emotions of the greatest number and kind of readers and listeners we can claim in selling advertising.'

He continues:

> Granted that such an editorial policy builds circulation and makes money, it does very little to strengthen the moral character of our people at a time when our way of life is under attack.[10]

A classical statement of profit hunger placed above public service came with the confrontation of Fred Friendly and CBS. Television is the medium most susceptible to advertising pressure and the one most likely to cave in. When Friendly showed the hearings of the Senate Foreign Relations Committee on Vietnam, preempting reruns of "I Love Lucy," CBS executives were outraged and put the reruns back on, claiming they were losing money by showing the hearings. Friendly argued that dropping the reruns for a few days would have meant only slightly less profit for CBS. CBS officials replied that, for CBS shareholders, no decrease in net profits is acceptable.[11] Although this is an example from television, it is indicative of the problems throughout the media.

Responsible advertisers are against the application of pressure by advertisers in order to show displeasure with editorial content. In an editoral in *Advertising Age*, written in response to the pressure which pharmaceutical companies put on the New York *Times* to make the *Times* sell its medical journals, the concept of advertiser pressure was criticized as being unconstructive.

> . . . advertisers have a right to withhold support from media when they feel it serves a legitimate business purpose, but responsible executives know this is not a right that can be exercised capriciously, for a lot of reasons. Among the most obvious: The likelihood that the public will wonder what the advertiser is trying to hide.
>
> Beyond that, there are considerations of corporate citizenship. The social order which sustains all of us—individuals and corporations—cannot survive without a free press. Companies which want to be regarded as good corporate citizens cannot afford to be publicly identified with actions which appear to represent an effort to exercise undue influence over honest—though perhaps mistaken—journalists.
>
> There are ways for corporations to confront erring journalists which are productive and consistent with the tenets of democracy. We particularly recommend the example of Mobil Oil, among others. Media relate much which is distasteful to Mobil. Instead of boycott, it buys space so it can tell its story effectively—in its own words.
>
> Those who see boycott as a primal right—the right to self-preservation—should also take into account the message they telegraph to critics who thrive on promoting doubts about the real role of advertising. If ads in medical journals are appropriate parts of a marketing plan because they educate doctors and promote the sale of drugs, how does a company look when it cancels these ads for reasons totally unrelated to informing doctors and selling drugs?[12]

Although the editorial does say that withholding advertising can be used as a legitimate business tool, the point is made clear that to use such pressure is, in the long run, self-defeating.

As stated previously, advertising pressure can run the spectrum from overt to subtle. The large companies apply their pressure subtly, as consumer affairs reporter George Allen points out: "The pressures put on by regular advertisers like General Motors or General Foods are . . . subtle. That pressure translates into the omissions of good reporting.[13]

Although many businessmen feel justified in applying pressure on the media as a way of registering their complaints, the Des Moines *Register* is probably right in saying that it is in the best interests of everyone to make sure that the press remains truly free.

Pressures on Newspapers

This section is intended as a catalogue of some of the numerous incidents in which advertisers have attempted, with or without success, to influence the editorial content of a newspaper.

Atlanta *Constitution* columnist B. J. Phillips wrote an editorial page column critical of a rate increase sought by Georgia Power Co. There is no evidence that Georgia Power complained, but its influence in Atlanta is so pervasive that it would not have needed to complain. The night the column appeared, Phillips learned that Jack Tarver, president of Atlanta Newspapers, Inc., felt her column should be limited to "topics she is qualified to

write about." The next morning, Phillip's resignation was on the desk of *Constitution* Editor Eugene Patterson. Patterson, upset, demanded that the resignation be rejected and that he maintain control of his editorial page. When Tarver refused, Patterson resigned himself.[14]

Ro Gardner, publisher of the Hickman, Ky., *Courier*, wrote an editorial favoring civil rights for Negroes. As a result, he was faced with an advertising boycott. Advertisers dwindled to three regular customers and only one of those is printed every week.[15]

William F. Schanen Jr. was awarded the 1970 Elijah Lovejoy Award for Courage in Journalism for fighting an ad boycott against his group of small Wisconsin weeklies. Schanen, who has since died, owned Port Publications in Port Washington, Wis. An ad boycott was started against his papers by a local industrialist who thought *Kaleidoscope*, a Milwaukee underground paper, not owned but job-printed by Schanen, was obscene. Because of the boycott, Schanen was forced to sell two weeklies: the Mequon *Squire* and the Grafton *Citizen*.[16]

Editor Curtis Daniell of *The Overseas Weekly* was forced (New York *Times*, 9-1-70) to resign by the paper's new owner, Joseph B. Kroesen, a mail-order diamond merchant who has published extensively in publications aimed at military audiences. Staff members in Frankfort said Kroesen did not like Daniell's policy of exposing racial discrimination at Army posts. Kroesen said: "We did not see eye to eye." The weekly has a circulation of 35,000 in Europe and 20,000 in the Pacific.

The Traverse City *Weekender* is suing (Detroit *Free Press*, 3-2-71) the Traverse City State Hospital for damages arising from a hospital campaign to destroy the newspaper after it published several articles critical of the hospital. Hospital officials threatened local businessmen with economic reprisal if they did not stop advertising in the paper. *Weekender* editor Suzanne Snyder said the paper has been losing $500 a week since the hospital started its campaign. She added: "We're barely making ends meet, but we have no plans to shut down."

Two of the largest retail stores in Boston objected to an antiwar ad run in the Boston *Globe* and withdrew $55,000 worth of advertising in the Sunday edition. The antiwar advertisement appeared in Thursday's edition and urged a moratorium on shopping by women on Monday to dramatize opposition to the war in Vietnam. The ad was sponsored by the "Voice of Women" of Newtonville, Mass. The *Globe* said it accepts all legitimate advertising on public issues.[17]

A column by Mike Royko which called car salesmen "deceitful liars" caused the Auto Dealers Association of Portland, Ore. to withdraw for 30 days all its classified ads in the *Oregonian* and the Oregon *Journal*. *Oregonian* Publisher Robert Notson, whose paper stands to lose $100,000 from the boycott, said: "I don't enjoy the loss of business, but I also don't enjoy the suggestion that an outside group can in effect shape our editorial policy." The paper did concede that Royko's "generalizations" were "unwarranted, certainly in the Portland area."[18]

R. C. Triplett, publisher of Forum Press, Inc., ran a half-page ad by a homeowner offering his house for sale. The ad ran in the Marblehead *Reporter* and the Swampscott *Reporter*, two sister weeklies on Cape Cod. The house sold in 24 hours. Triplett used this ad as a promotion ad, running the original house ad with copy reading: "Big ads get big results in the *Reporter*." As a result, suburban Boston realtors cancelled their ads. Eventually, the realtors came back, finding that they needed the paper.[19]

The North Central Board of Realtors is boycotting the Baxter *Bulletin* (Mountain Home, Ark.) until the newspaper begins "printing the good news, too." Publisher Rupert Phillips said (Springfield, Mo., *News & Leader*, 7-29-73):

> We feel it is our duty as the local newspaper to report all the news of importance to the area. This includes printing events and happenings of interest to all segments of the area, popular and unpopular —majority and minority views. No special interest group or any group banding together will be able to control the news or *The Bulletin*.

The following example illustrates advertising pressure coming from the paper's own advertising department and not directly from the advertiser. A few hours before Valentine's Day, the Hartford *Courant's* retail advertising manager called for front page promotion of auto dealer events planned for Washington's Birthday. He suggested an across-the-page headline above the paper's nameplate and narrowed the choice of car to be shown in the adjacent picture. Several of the paper's top editors complained. But the *Courant's* president, Edmund W. Downes, stopped their complaints. "You like your Christmas bonus, don't you?" he asked one complaining editor. The complaints ended there.[20]

Rodney A. Smith, editor of the weekly Gretna-Hurt (Va.) *Gazette* has been tangling with a local family which is politically powerful. The politicians have caused an ad boycott and have attempted to muster support for a competing paper. Nevertheless, the *Gazette* is still intact and fighting.[21]

The University of Iowa's *Daily Iowan* lost local advertising because of its "leftist" editorial page. Student Publications, Inc., Board of Trustees member David Schwenbaum, associate professor of history, said (Des Moines *Register*, 11-21-70): "I see no reason to capitulate to the advertisers. But when we are down $30,000, we must find means of support." The paper has a deficit of $30,000 which could go as high as $60,000.

The Chicago *Tribune* (and other Chicago papers) failed to provide anything nearing adequate coverage of a trial before the Federal Trade Commission concerning alleged illegal selling tactics by Sears, Roebuck & Company. The *Tribune* receives $5 million a year in advertising from Sears.[22]

In Wilmington, Del., the newspapers are owned by Christiana Securities, a multi-billion-dollar holding company. On one occasion, the papers were forbidden to comment on a proposed Shell Oil refinery in the area.[23]

In the most important of recent advertising pressure cases, the New York *Times* was forced to sell off eight medical journals because of an ad boycott by pharmaceutical companies. The boycott was a protest of a series of *Times* articles on the medical profession. Arthur Sulzberger, chairman of The New York Times Company, made no reference to the boycott when announcing the sale. He said (New York *Times*, 6-2-76):

> We are delighted with the growth and profitability of our six special-interest magazines, such as *Family Circle*, *Golf Digest* and *Tennis*, and in our

judgment the company's best interests will be served if we concentrate on the consumer-magazine field alone.

Having made that decision, we are happy to relinquish the stewardship of these fine professional journals to a company with an established franchise in the professional and business periodical field.

Advertising pressure can be subtle and even those in the highest ranks of the New York *Times* do not mention it.

Pressures on Magazines

As was the previous section, this section is an abbreviated catalogue of some of the incidents of advertising pressure on print media, in this case, magazines.

An article appearing in *Harper's* showed that fashion magazines allow themselves to be dictated to by fabric and cosmetic firms in order to get ads. This dictate can take the form of plugging certain products in exchange for advertising revenue.[24]

In an article appearing in *Fact*, the *Reader's Digest* was accused of being a captive to its advertisers. AT&T is a big advertiser in the *Digest*, so in a piece called "Coping With Crank Phone Calls" (5/65) no mention was made of getting an unlisted number, which AT&T thinks is bad for its business, even though the article as originally printed in the *American Legion Magazine* (1/65) devoted 18 lines to the idea. In December, 1964, in "America's Titanic Christmas Package," written by a *Digest* staffer, long-distance calls were lauded as a way to bring families together on Christmas; six pages later, a full-page ad appeared for AT&T pushing long-distance calls. *Changing Times* (6/64) said: "As a matter of policy, the *Reader's Digest* editors always show advance proofs of the text to advertisers if the story conflicts with advertisers' interests." The *Digest* will also slant articles in favor of advertisers. In March, 1965, *Esquire* ran a piece about American gasoline and the *Digest* reprinted it. The *Digest* took out all references to the shady advertising gimmicks used by gasoline manufacturers.[25]

Life business editor Chris Welles wrote "Oil Shale: Hidden Scandal or Inflated Myth?" He rewrote the story eight times, but it was rejected as having insufficient documentation. Welles maintains that the oil companies were threatening to cancel their ads if *Life* ran the article. He took it to Willie Morris who bought it for *Harper's*. *Life* then fired Welles.[26]

The June, 1972 issue of *Ramparts* was withdrawn from newsstands in the East and not delivered in the West after Pacific Telephone & Telegraph Co. threatened to seek criminal prosecution because of an article on how to cheat the phone company on long-distance calls. A California statute makes it a misdemeanor to publish "plans or instructions for making or assembling an instrument, apparatus or device with knowledge or reason to believe it is intended to be used to avoid any lawful telephone or telegraph charge." There is also a Federal statute giving a $1,000 fine or five years in prison for scheming to defraud a communications utility. *Ramparts* Editor Peter Collier said (New York *Times*, 5-22-72): "The richest irony is that we make a career of taking on the CIA, the Pentagon and other institutions with good-sized clout, but the telephone company is the first to be able to suppress an issue, exercising a kind of prior restraint." Withdrawal of the newsstand copies cost an estimated $30,000 to $50,000 including $7,000 in uncollectable ad revenue. *Ramparts* also needed a new printer since it accused W. A. Kruger Printing Co. of Milwaukee of tipping off the phone company after completing the $18,000 printing job.

A number of Safeway Stores around the country have banned (New York *Times*, 3-15-76) *The Atlantic Monthly* from being sold on their premises. The stores banned the magazine because of the March, 1976 cover article called "Rip-Off at the Supermarket."

Michael Frome was fired in 1974 as conservation editor of *Field & Stream* after he started ranking U.S. representatives and senators according to their environmental voting records, started reporting questionable land transactions in New Mexico by the state office of the Bureau of Land Management of the Department of the Interior, and after he filed a criticism of the Forest Service's new Environmental Program for the Future. *Field & Stream* is owned by CBS, Inc., and Frome feels the parent company did not want to cause any trouble with the government.[27]

Norman Cousins, editor of *Saturday Review*, rejected (St. Louis *Post-Dispatch*, 11-24-76) an article by John Hersey called "An Inaugural Address by John Hersey" because it was not uplifting enough. Cousins strongly denied any implications of advertising pressure. Hersey's article said, in part, that since the time of Eisenhower, the influence of the military-industrial complex has increased substantially. He mentioned a number of large corporations, many of whom advertise in the *Saturday Review*.

Two of the most recent examples of advertising pressure, one on newspapers and one on magazines, will be reviewed next. They are, the dilemma of the small Crested Butte (Colo.) *Chronicle* and the conflict which arose from the Xerox-sponsored article which was scheduled to appear in *Esquire* but was subsequently cancelled.

Myles Arber vs. Crested Butte, Colo.

The Crested Butte *Chronicle* was the small Colorado weekly which originally wrote about the possible improprieties of Army Secretary Howard Callaway in his attempts to get more land for his Colorado ski station. Since that time, the paper has been facing a serious advertising boycott. Editor Myles Arber said (Washington *Star*, 4-20-76): "When we broke the story we were 24 pages. This week it will be down to eight." Arber, who also owns the *Chronicle*, said the boycott was organized by local businessmen who think the Callaway story will bring serious economic harm to the Crested Butte community. Rudy Rozman, co-owner of the Crested Butte Motor Inn, said there was strong sentiment in the business community to keep their advertising out of the paper. There is even talk of forming a second paper in Crested Butte. "Nobody's against printing the truth . . . but when it comes to accusing a man publicly in a paper and the facts are not documented or anything else, that's different," said Rozman.

Bill Sweitzer, owner of the Sweitzer Oil Co. in nearby Gunnison, said the boycott was "no organized boycott as such. Everybody made the decision on this thing spontaneously. A newspaper is not entitled to do what he did,"

said Sweitzer. He said he felt the articles had "hurt Mr. Callaway without any basic facts."

The local Colorado businessmen were criticized by newspapers and advertisers alike. The Des Moines *Register* editorialized (8-5-76):

> It is frightening that a publication can face silencing merely because it steps on toes and invites a court suit (Arber faces a $1 million libel suit). Arber could prevail in court but be financially ruined.
>
> If Arber's paper is forced out of business, it will be notice to targets of newspaper criticism that the way to deal with the critics is to bankrupt them. The press and the public have a vital interest in preventing that precedent in Crested Butte.

On the advertising side came the comments of Joan Lipton, a vice-president at McCann-Erickson, who spoke out against the advertising boycott in Crested Butte. "It's clear that this small weekly paper may go under because it exercised more than its rights, but its obligation to present the facts. I share the worry of many of our members that local advertisers may try to bend the editorial policy of a paper by withholding advertising dollars."[28]

The sentiments of Lipton emphasize a problem that has always plagued the press and will apparently continue to plague it.

E. B. White vs. The Xerox Corporation

During the Bicentennial, Xerox Corporation decided to embark on a project which would commemorate the year and give some of Xerox's advertising money to the print media which was badly in need of more money. Xerox made an arrangement with *Esquire*. Under the arrangement, Xerox paid *Esquire* to commission an author of its choice (the choice was Harrison Salisbury) to write an essay. The agreement stipulated that Xerox would not interfere with or have any influence over the article, but would run full-page ads at the beginning and end of the article. If Xerox did not like the essay, *Esquire* would be free to publish it, without returning Xerox's money, but without identifying it with Xerox in any way. Salisbury wrote "Travels Through America," a 23-page article which took six months to complete. Salisbury was paid $40,000 plus $15,000 in expenses. *Esquire* received an advertising contract from Xerox for $115,000 for one year.

Retired writer and critic, E. B. White read about the project and immediately registered his disapproval in a letter to Xerox. White saw the project as setting a bad precedent for the future freedom of the press. In his letter, White said:

> A funded article is a tempting morsel for any publication—particularly for one that is having a hard time making ends meet. A funded assignment is a tempting dish for a writer, who may pocket a much larger fee than he is accustomed to getting.
>
> And sponsorship is attractive to the sponsor himself, who, for one reason or another, feels an urge to penetrate the editorial columns after being so pent up in the advertising pages . . .
>
> . . . Whenever money changes hands, something goes along with it—an intangible something that varies with the circumstances. It would be hard to resist the suspicion that *Esquire* feels indebted to Xerox, that Mr. Salisbury feels indebted to both, and that the ownership, or sovereignty, of *Esquire* has been nibbled all around the edges . . .
>
> . . . It was as though *Esquire* had gone on relief, was accepting its first welfare payment, and was not its own man any more . . .
>
> . . . Buying and selling space in the news columns could become a serious disease of the press. If it reached epidemic proportions, it could destroy the press. I don't want IBM or the National Rifle Association providing me with a spectacular when I open my paper; I want to read what the editor and publisher have manag d to dig up on their own —and paid for out of the till . . .
>
> . . . Sponsorship in the press is an invitation to corruption and abuse . . . The funded article is not in itself evil, but it is the beginning of evil, and it is an invitation to evil.[29]

After receiving this letter, W. B. Jones, director of communications at Xerox, wrote (New York *Times*, 6-15-76) to White, telling him he had read his letter with "some dismay." He explained that Xerox had viewed the sponsorship as an extension of its backing of television programs, which ". . . were ne er abou our business in any way; in some cases they were so controversial that customers tossed out their Xerox machines." He added that he saw no problem with the company's sponsorship provided it was open and identified; the writer was paid before the piece appeared; the writer understood that it was a single assignment and that he would get no others no matter what Xerox thought of the article; and that the magazine retained full editorial control of the project.

In a later letter to White, Jones said:

> We had two projects in development at the time we received your letter. Since then we've aborted them both and, although that process involved some discomfort, we now feel better for it.
>
> Your correspondence was a primary factor in our reconsideration and we do appreciate your help in reaching what I am convinced is the right decision.[30]

As David J. Curtin, vice-president of communications for Xerox, explained (New York *Times*, 6-15-76): "He stopped us in our tracks. We have enormous respect for Mr. White and if this was unsettling to him, it was just not worth continuing." White's reply was a bit more realistic: "I was a little surprised. When you get to be as big as a corporation, you don't have to listen to a little fellow like me."

In the end, there was still some difference of opinion about the project, even among writers. Whereas White had seen it as an invitation to evil, Harrison Salisbury thought there was nothing wrong with it. ". . . the poor magazines have been dwindling away over the years, and along with them the employment of writers. So why not let the big corporations, provided they don't interfere with our work, pass along some of their money to us poor ink-stained wretches?"[31]

Conclusion

The examples previously given leave little doubt that

advertisers have exerted influence over the editorial content of the print media, and that this influence can take a number of forms. Yet the advertisers need the circulation potential of newspapers and magazines just as much as the print media need the money that advertisers can provide them. The ad revenues for both newspapers and magazines continue to go up.

John Fischer says that the idea of exerting a covert influence on editorial content, as White discerned Xerox doing, is not limited to advertisers. Such a well-known figure in journalism as Dr. Robert Hutchins once approached Fischer with a proposition similar to the Xerox arrangement. As head of the Fund for the Republic, Hutchins wanted to buy 32 pages in *Harper's* each month to run articles prepared by the Fund. There would be no indication that the Fund was behind the scheme; the articles would appear just as regular articles. The price would be $500,000 a year. Fischer turned Hutchins down.[32]

Recently, a potentially disastrous precedent has been set with the advent of advertisers, or corporations outside of journalism, becoming publishers of print media. In December, 1976, the London *Observer*, strapped for capital, sold out to Atlantic-Richfield Oil Co. Although the president of Atlantic-Richfield says he will not interfere with the paper, the potential is decidedly there. As Calvin Trillin remarked, people often feel safer with a businessman at the helm. He said: "In American journalism, no one seriously objects to the fact that the man who has final responsibility for advising the community on political matters is usually someone who prepared for that role by selling advertising space to department stores."[33]

As long as the public continues to feel comfortable with the role advertisers play in the print media, and as long as advertising pressures remain fairly subtle, the practice of interference in editorial content of the media is, unfortunately, likely to persist.

FOOTNOTES

1. Donald McDonald, "The Media's Conflict of Interests," *The Center Magazine*, November-December, 1976, p. 19.
2. John Fischer, "The Perils of Publishing: How to Tell When You Are Being Corrupted," *Harper's*, May, 1968, p. 13.
3. *Ibid.*, p. 14.
4. *Ibid.*, p. 19.
5. *Straus Editor's Report* (Weekly Letter 19), Oct. 18, 1969.
6. Robert Lasch, Letter to the Editor, *ASNE Bulletin*, February, 1971.
7. Calvin Trillin, "U.S. Journal: Nampa, Idaho—Negative and Controversial," *The New Yorker*, October 31, 1970, p. 106.
8. Clay Felker, "Guerilla Tactics for Consumer Journalism," *ASNE Bulletin*, July-August, 1971, p. 11.
9. *Ibid*
10. "Dixon Lauds Rejection of Dubious Ads," *Editor & Publisher*, January 27, 1968, p. 11.
11. McDonald, "The Media's Conflict," p. 20.
12. "Ad Boycott is Bad Medicine" (editorial), *Advertising Age*, February 23, 1976, p. 16.
13. McDonald, "The Media's Conflict," p. 19.
14. "Frustration in Atlanta," *Time*, October 4, 1968, p. 82.
15. "Advertisers Boycott Ky. Weekly," *Publishers' Auxiliary*, March 21, 1970.
16. "Ad Boycott Victim Cited for Courage," *Editor & Publisher*, July 18, 1970, p. 16.
17. "Anti-war Ad Costs Newspaper $55,000," *Publishers' Auxiliary*, June 26, 1971.
18. "Car Dealers' Protest," *Time*, November 1, 1971, p. 88.
19. "Publisher Wins 'Battle' with Realtors," *Publishers' Auxiliary*, May 10, 1972.
20. "Putting the Advertiser in the Driver's Seat," *Media and Consumer*, March, 1975.
21. "Disclosures Put Editor and Paper Under Attack," *Editor & Publisher*, May 29, 1976, p. 32.
22. McDonald, "The Media's Conflict," p. 19.
23. *Ibid.*, p. 20.
24. "Concessions to Advertiser Pressure Blamed for Fashion Magazine Woes," *Advertising Age*, October 1, 1962, p. 8.
25. *Fact*, March-April, 1966, p. 6-8.
26. "Oil Shale: Story Behind the Story," *Newsweek*, August 5, 1968, p. 10.
27. McDonald, "The Media's Conflict," p. 17.
28. "Agency VP Raps Boycott of Papers," *Advertising Age*, November 15, 1976, p. 52.
29. "Letter From the East," *Time*, June 28, 1976, p. 58, and the text of White's letter dated January 30, 1976.
30. Letter from W. B. Jones to E. B. White dated May 3, 1976.
31. Arnold Gingrich, "The Xerox-Salisbury-Esquire Axis," *Esquire*, June, 1976.
32. Fischer, "The Perils of Publishing," p. 20.
33. Trillin, "U.S. Journal," p. 106.